

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 12th day of
November, 2009.

In the Matter of Laclede Gas Company)
Concerning a Natural Gas Incident at)
7527 Michigan Street, St. Louis, Missouri.)

Case No. GS-2009-0270

ORDER CLOSING CASE

Issue Date: November 12, 2009

Effective Date: November 22, 2009

On January 20, 2009, the Staff of the Commission (hereafter "Staff") filed Staff's Motion to Establish a Case for Investigation of Gas Safety Incident. The Commission granted the motion.

In its motion, Staff states that on December 30, 2008, a natural gas incident occurred at the above-referenced address. Staff then filed Staff's Final Status Report on July 15, 2009.

In its report, Staff stated that the most likely source of the ignition which caused the blast was a propane torch being used by a plumber. According to Staff, a plumbing contractor removed soil under a seven-foot section of 4-inch cast iron main. Also, cement was poured approximately 10 inches above that section of main, which would have induced downward loading stresses that were distributed along a section of that main. Those actions, along with any settlement of loose gravel backfill, eventually caused the main to fracture. The plumber working at the residence received minor injuries, and was released from the hospital the same day.

Staff listed twelve recommendations it believes Laclede Gas Company (hereafter “Laclede”) should follow to try to prevent a similar incident. Those recommendations are:

A. Laclede continue its recently implemented practice of reviewing gas system maps in conjunction with Missouri One-Call locate tickets to determine if its CI mains may be adversely affected by third-party excavations.

B. For situations where one or more cast iron main may potentially be located near or within a proposed excavation, that Laclede contact each excavator and/or visit each excavation site to further determine what portion of the pipeline may require protection or replacement due to lying within an area of affected soil or by having the support beneath the pipe removed for a length of more than ten(10) times the nominal pipe diameter not to exceed six (6) feet.

C. In conjunction with the Staff’s Recommendation B above, that when the excavation work near its CI mains is associated with installing new water service lines and taps to City water mains, Laclede obtain a set of drawings showing water line locations from the City and/or contact the City regarding each new installation.

D. In conjunction with the Staff’s Recommendation B above that in the event that Laclede speaks with an excavator, Laclede should determine the dimensions and locations of each proposed excavation relative to each Laclede CI main.

E. In conjunction with the Staff’s Recommendations A-D above, that if a determination is made that an excavation will involve the installation of one or more water main taps (for water service line connections) and that Laclede’s CI gas main facilities may be adversely affected because of their proximity, an on-site investigation be made by Laclede for each of these types of excavations to determine the area of affected soil.

F. That Laclede follow the guidelines from the “Guide for Gas Transmission and Distribution Piping Systems 2009 Edition” which will be amended in Addendum 1 to include additional information that operators of CI systems should communicate to builders, designers and excavators.

G. That Laclede continue to develop and implement a program identifying all CI mains having a nominal pipe diameter of 6-inch and smaller that are in areas having a continuous covering (e.g. pavement, or concrete) from the CI main to building wall. Laclede’s schedule for completing this work is August of 2009.

H. While evaluating facilities in conjunction with the soon to be finalized Integrity Management Program for Gas Distribution Pipelines (DIMP Rule), Laclede consider increasing the total annual amount of CI main replacements, and assign a priority to 6-inch and smaller CI mains having a continuous covering from the CI main to a building wall.

I. That Laclede record sufficient additional information when performing leak investigations (currently documented on the “Report of Street Leak F712” form) to physically locate each significant reading so that the exact same location can be rechecked in the future, and determine the extent of gas migration. Laclede has indicated in past discussions with the Staff that they are developing a new leak management system that will geographically reference leak locations within its GIS mapping system. If Laclede chooses to implement this recommendation by using the “Report of Street Leak F-712” form, that at a minimum, the physical location measurements also be recorded for each significant reading to ensure that the same location will be visited during the next re-check of the leak.

The extent of the leak should be investigated and documented in a format similar to that used by Laclede titled "Ongoing Leak Survey Information".

J. That Laclede inform its personnel who are involved in leak investigations of the circumstances related to this incident, with the intention of raising awareness that gas venting from an area undergoing construction is a special concern. Leak investigation personnel should be made aware of situations such as this one where gas is venting to the atmosphere from a gravel backfill area before a sidewalk is repaired, since repairs may prevent the gas from venting.

K. Laclede has revised its Excavation Safety brochure to communicate to excavators that precautions should be taken by excavators when the soil beneath a CI main is removed. The Staff approves of this revision, and recommends that Laclede further revise its Excavation Safety brochure to address potential situations where CI pipe lies within the area of affected soil and the soil is not necessarily removed from directly beneath the pipe.

L. That Laclede be directed to file a response regarding these recommendations contained in this Case within 60 days of the filing of this report.

Laclede responded on September 14, 2009. Staff replied to Laclede's response on October 20, 2009, stating that Laclede's response was satisfactory,

In particular, Staff states that Laclede's response to Staff Recommendations A-E, G, J, and L, the response is satisfactory as written, with the consideration that the proposed actions are completed and the procedures implemented. For Staff Recommendations F and K, Staff is reviewing Laclede's 2010 Excavation Safety brochure, and any additional recommendations regarding the brochure will be addressed as part of Staff's routine annual

inspection of Laclede. For Staff Recommendation H, Staff will address any additional comments related to this issue as part of its evaluation of Laclede's compliance with the DIMP rule, after the rule is finalized.¹ For Staff Recommendation I, Staff anticipates meeting with Laclede to discuss design of the new leak controls system on or before January 2010, and any additional Staff recommendations will be addressed as part of the Staff's routine annual inspection of Laclede.

Staff recommends the Commission close this case. The Commission concludes that all issues pertaining to the above-referenced natural gas incident have been resolved. In light of the resolution of those issues, and Staff's finding that Laclede did not violate the Commission's Pipeline Safety Regulations², this case shall be closed.

THE COMMISSION ORDERS THAT:

1. This case shall be closed.
2. This order shall be effective on November 22, 2009.

(S E A L)

BY THE COMMISSION



Steven C. Reed
Secretary

Clayton, Chm., Davis, Jarrett,
Gunn, and Kenney, CC., concur.

Pridgin, Senior Regulatory Law Judge

¹ The proposed DIMP (Distribution Integrity Management Program) rule, which would amend 49 CFR Part 192, was published in the June 25, 2008 Federal Register. If adopted, the rule would require operators of gas distribution pipelines to develop and implement integrity management programs to further enhance safety by identifying and reducing pipeline integrity risks.

² Commission Rule 4 CSR 240-40.030.